



December 4, 2008

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Re: MM Docket No. 99-325

Dear Ms. Dortch:

On behalf of BMW of North America, LLC I am writing to express BMW of North America's support for the pending proposal to increase the authorized digital power for FM digital radio stations. On October 23, 2008, the FCC's Media Bureau released a public notice seeking comment on the proposal by a group of broadcasters and interested parties to increase the authorized power for FM digital broadcasts. That public notice also seeks comment on technical studies conducted by iBiquity Digital Corporation and National Public Radio concerning the feasibility of implementing the power increase.

BMW of North America is a distributor of automobiles manufactured for sale or lease in the U.S. market, within the Premium Luxury segment. Our brand names include BMW and MINI. All of our vehicles sold or leased in the United States include AM/FM radio receivers, and we perceive that as an important feature for consumers.

BMW of North America, LLC was the first to offer HD Radio as an option in our vehicles and it is now available as an option in every model. It is our plan to include HD Radio as a standard feature in our future models.

In BMW of North America's experience with the technology, HD Radio technology can offer important benefits to consumers in terms of upgraded audio and new services. In particular, the introduction of multicast or HD2 channels offers consumers a new range of audio services not supported by analog service. BMW of North America remains concerned, however, that these benefits of HD Radio technology will not be accepted by the public unless HD Radio technology is able to replicate analog coverage in a greater number of cases. Although there are many stations that enjoy excellent digital coverage, there are a number of stations that are not able to replicate their analog coverage with the current configuration of the HD Radio system. These coverage problems are particularly problematic in a vehicle environment. Mobile reception is inherently more susceptible to multipath interference and other impairments that can vary considerable in very short time frames as a vehicle goes in and out of areas of interference. Moreover, tunnels, underpasses and parking garages are just some of the physical structures that can provide reception challenges for car radios.

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The Joint Parties proposal pending before the FCC seeks to address concerns about HD Radio coverage by allowing stations to increase digital power by up to 10 dB. BMW of North America strongly supports this proposal. The tests iBiquity Digital conducted demonstrate a 10 dB power increase will deliver a more complete replication of digital coverage in a variety of terrain environments. The tests also confirm the higher power will increase building penetration. In the case of car listeners, this means, obstructions such as garages and underpasses will provide less of an impediment to continued reception. BMW of North America is pleased that the real world field testing iBiquity conducted confirmed both the improved coverage and building penetration from the increased transmission power level and also the viability of increasing power without causing interference to adjacent channel stations. The tests demonstrated there will be limited impact on adjacent channel stations in the vast majority of cases.

BMW of North America believes a power increase would serve the public interest by improving the ability of the public to enjoy the benefits of HD Radio technology. The record before the Commission confirms that these enhanced benefits can be achieved without causing unacceptable levels of interference to existing analog radio service. As such, BMW of North America encourages the FCC to authorize FM digital stations to operate at the proposed power level to offer consumers greater access to digital radio technology.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Francis J. Dance", with a long horizontal line extending to the right.

Francis J. Dance
Telematics Business Development Manager